

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1219

**[Report No. 104–89, Part I]**

To amend the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 to extend and reduce the discretionary spending limits, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 13, 1995

Mr. KASICH introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

MARCH 23, 1995

Reported from the Committee on the Budget with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on March 13, 1995]

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## A BILL

To amend the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 to extend and reduce the discretionary spending limits, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       *This Act may be cited as the “Discretionary Spending*  
3 *Reduction and Control Act of 1995”.*

4 **SEC. 2. DISCRETIONARY SPENDING LIMITS.**

5       (a) *LIMITS.*—Section 601(a)(2) of the Congressional  
6 *Budget Act of 1974 is amended by striking subparagraphs*  
7 *(A), (B), (C), (D), and (F), by redesignating subparagraph*  
8 *(E) as subparagraph (A) and by striking “and” at the end*  
9 *of that subparagraph, and by inserting after subparagraph*  
10 *(A) the following new subparagraphs:*

11               *“(B) with respect to fiscal year 1996, for*  
12               *the discretionary category: \$502,994,000,000 in*  
13               *new budget authority and \$537,946,000,000 in*  
14               *outlays;*

15               *“(C) with respect to fiscal year 1997, for the*  
16               *discretionary category: \$497,816,000,000 in new*  
17               *budget authority and \$531,793,000,000 in out-*  
18               *lays;*

19               *“(D) with respect to fiscal year 1998, for*  
20               *the discretionary category: \$489,046,000,000 in*  
21               *new budget authority and \$523,703,000,000 in*  
22               *outlays;*

23               *“(E) with respect to fiscal year 1999, for*  
24               *the discretionary category: \$491,586,000,000 in*  
25               *new budget authority and \$522,063,000,000 in*  
26               *outlays; and*

1           “(F) with respect to fiscal year 2000, for the  
2           discretionary category: \$492,282,000,000 in new  
3           budget authority and \$521,690,000,000 in out-  
4           lays;”.

5           (b) COMMITTEE ALLOCATIONS AND ENFORCEMENT.—  
6           Section 602 of the Congressional Budget Act of 1974 is  
7           amended—

8           (1) in subsection (c), by striking “1995” and in-  
9           serting “2000” and by striking its last sentence; and

10          (2) in subsection (d), by striking “1992 TO  
11          1995” in the side heading and inserting “1995 TO  
12          2000” and by striking “1992 through 1995” and in-  
13          serting “1995 through 2000”.

14          (c) FIVE-YEAR BUDGET RESOLUTIONS.—Section 606  
15          of the Congressional Budget Act of 1974 is amended—

16          (1) in subsection (a), by striking “1992, 1993,  
17          1994, or 1995” and inserting “1995, 1996, 1997,  
18          1998, 1999, or 2000”; and

19          (2) in subsection (d)(1), by striking “1992, 1993,  
20          1994, and 1995” and inserting “1995, 1996, 1997,  
21          1998, 1999, and 2000”, and by striking “(i) and  
22          (ii)”.

23          (d) EFFECTIVE DATE.—Section 607 of the Congres-  
24          sional Budget Act of 1974 is amended by striking “1991  
25          to 1998” and inserting “1995 to 2000”.

1       (e) *SEQUESTRATION REGARDING CRIME TRUST*  
 2 *FUND.—(1) Section 251A(b)(1) of the Balanced Budget and*  
 3 *Emergency Deficit Control Act of 1985 is amended by strik-*  
 4 *ing subparagraphs (B), (C), and (D) and its last sentence*  
 5 *and inserting the following:*

6               “(B) For fiscal year 1996, \$1,827,000,000.

7               “(C) For fiscal year 1997, \$3,082,000,000.

8               “(D) For fiscal year 1998, \$3,840,000,000.

9               “(E) For fiscal year 1999, \$4,415,000,000.

10              “(F) For fiscal year 2000, \$4,874,000,000.

11       *“The appropriate levels of new budget authority are*  
 12 *as follows: for fiscal year 1996, \$3,357,000,000; for*  
 13 *fiscal year 1997, \$3,915,000,000; for fiscal year 1998,*  
 14 *\$4,306,000,000; for fiscal year 1999, \$5,089,000,000;*  
 15 *and for fiscal year 2000, \$5,089,000,000.”.*

16       (2) *The last two sentences of section 310002 of the Vio-*  
 17 *lent Crime Control and Law Enforcement Act of 1994 (42*  
 18 *U.S.C. 14212) are repealed.*

19       **SEC. 3. GENERAL STATEMENT AND DEFINITIONS.**

20       (a) *GENERAL STATEMENT.—Section 250(b) of the Bal-*  
 21 *anced Budget and Emergency Deficit Control Act of 1985*  
 22 *is amended by striking the first sentence and inserting the*  
 23 *following: “This part provides for the enforcement of deficit*  
 24 *reduction through discretionary spending limits and pay-*

1 *as-you-go requirements for fiscal years 1995 through*  
2 *2000.”*

3 (b) *DEFINITIONS.*—Section 250(c) of the Balanced  
4 Budget and Emergency Deficit Control Act of 1985 is  
5 amended—

6 (1) *by striking paragraph (4) and inserting the*  
7 *following:*

8 “(4) The term ‘category’ means all discretionary  
9 appropriations.”;

10 (2) *by striking paragraph (6) and inserting the*  
11 *following:*

12 “(6) The term ‘budgetary resources’ means new  
13 budget authority, unobligated balances, direct spend-  
14 ing authority, and obligation limitations.”;

15 (3) *in paragraph (9), by striking “1992” and in-*  
16 *serting “1995”;*

17 (4) *in paragraph (14), by striking “1995” and*  
18 *inserting “2000”; and*

19 (5) *by striking paragraph (17) and by redesign-*  
20 *ating paragraphs (18) through (21) as paragraphs*  
21 *(17) through (20), respectively.*

22 **SEC. 4. ENFORCING DISCRETIONARY SPENDING LIMITS.**

23 Section 251 of the Balanced Budget and Emergency  
24 Deficit Control Act of 1985 is amended—

1           (1) in the side heading of subsection (a), by  
2           striking “1991–1998” and inserting “1995–2000”;

3           (2) in the first sentence of subsection (b)(1), by  
4           striking “1992, 1993, 1994, 1995, 1996, 1997 or  
5           1998” and inserting “1995, 1996, 1997, 1998, 1999,  
6           or 2000” and by striking “through 1998” and insert-  
7           ing “through 2000”;

8           (3) in subsection (b)(1), by striking subpara-  
9           graphs (B) and (C) and by striking “the following:”  
10          and all that follows through “The adjustments” and  
11          inserting “the following: the adjustments”;

12          (4) in subsection (b)(2), by striking “1991, 1992,  
13          1993, 1994, 1995, 1996, 1997, or 1998” and inserting  
14          “1995, 1996, 1997, 1998, 1999, or 2000” and by  
15          striking “through 1998” and inserting “through  
16          2000”;

17          (5) by striking subparagraphs (A), (B), and (C)  
18          of subsection (b)(2);

19          (6) in subsection (b)(2)(E), by striking clauses  
20          (i), (ii), and (iii) and by striking “(iv) if, for fiscal  
21          years 1994, 1995, 1996, 1997, and 1998” and insert-  
22          ing “If, for fiscal years 1995, 1996, 1997, 1998, 1999,  
23          and 2000”; and

24          (7) in subsection (b)(2)(F), strike everything  
25          after “the adjustment in outlays” and insert “for a

1        *category for a fiscal year shall not exceed 0.5 percent*  
2        *of the adjusted discretionary spending limit on out-*  
3        *lays for that fiscal year in fiscal year 1996, 1997,*  
4        *1998, 1999, or 2000.”.*

5        **SEC. 5. ENFORCING PAY-AS-YOU-GO.**

6        *Section 252 of the Balanced Budget and Emergency*  
7        *Deficit Control Act of 1985 is amended—*

8                *(1) in the side heading of subsection (a), by*  
9                *striking “1992–1998” and inserting “1995–2000”;*

10               *(2) in subsection (d), by striking “1998” each*  
11               *place it appears and inserting “2000”; and*

12               *(3) in subsection (e), by striking “1991 through*  
13               *1998” and inserting “1995 through 2000” and by*  
14               *striking “through 1995” and inserting “through*  
15               *2000”.*

16        **SEC. 6. REPORTS AND ORDERS.**

17        *Section 254 of the Balanced Budget and Emergency*  
18        *Deficit Control Act of 1985 is amended—*

19               *(1) in subsection (d)(2), by striking “1998” and*  
20               *inserting “2000”; and*

21               *(2) in subsection (g), by striking “1998” each*  
22               *place it appears and inserting “2000”.*

1 **SEC. 7. TECHNICAL CORRECTION.**

2       Section 258 of the Balanced Budget and Emergency  
3 Deficit Control Act of 1985, entitled “Modification of Presi-  
4 dential Order”, is repealed.

5 **SEC. 8. EFFECTIVE DATE.**

6       (a) EXPIRATION.—Section 275(b) of the Balanced  
7 Budget and Emergency Deficit Control Act of 1985 is  
8 amended by striking “1995” and inserting “2000”.

9       (b) EXPIRATION.—Section 14002(c)(3) of the Omnibus  
10 Budget Reconciliation Act of 1993 (2 U.S.C. 900 note; 2  
11 U.S.C. 665 note) is repealed.

12 **SEC. 9. SPECIAL RULE ON INTERRELATIONSHIP BETWEEN**  
13 **CHANGES IN DISCRETIONARY SPENDING LIM-**  
14 **ITS AND PAY-AS-YOU-GO REQUIREMENTS.**

15       (a)(1) Section 252 of the Balanced Budget and Emer-  
16 gency Deficit Control Act of 1985 is amended by adding  
17 at the end the following new subsection:

18       “(f) SPECIAL RULE ON INTERRELATIONSHIP BE-  
19 TWEEN SECTIONS 251 AND 252.—(1) Whenever a reconcili-  
20 ation Act decreases the discretionary spending limits for  
21 outlays and provides that that decrease shall be used to off-  
22 set all or part of an increase in direct spending or decrease  
23 in receipts (or both) in that Act and reduces the discre-  
24 tionary spending limits for budget authority by an amount  
25 equal to or greater than the amount that budget authority  
26 would be as calculated using the composite spendout rate,



1 *then the reduction in receipts or increase in outlays for di-*  
2 *rect spending (that is so offset) shall not be reflected in esti-*  
3 *mates under subsection (d).*

4 *“(2) As used in this subsection:*

5 *“(A) The term ‘composite spendout rate’ means*  
6 *a computational relationship between outlays and*  
7 *new budget authority as follows: 60 percent for the*  
8 *first year, 22 percent for the second year, 12 percent*  
9 *for the third year, 4 percent for the fourth year, and*  
10 *1 percent for the fifth year.*

11 *“(B) The term ‘reconciliation Act’ refers to a rec-*  
12 *onciliation bill (as used in section 310 of the Congres-*  
13 *sional Budget Act of 1974) after it is enacted into*  
14 *law.”.*

15 *(2) Section 310(a) of the Congressional Budget Act of*  
16 *1974 is amended by striking “or” at the end of paragraph*  
17 *(3), by redesignating paragraph (4) as paragraph (5) and*  
18 *by striking “and (3)” in such redesignated paragraph (5)*  
19 *and inserting “(3), and (4)”, and by inserting after para-*  
20 *graph (3) the following new paragraph:*

21 *“(4) carry out section 252(f) of the Balanced*  
22 *Budget and Emergency Deficit Control Act of 1985;*  
23 *or”.*

24 *(b) To the extent that a deficit increase in any fiscal*  
25 *year through 2000 caused by changes in direct spending*

1 *and receipts resulting from this Act, the Personal Respon-*  
2 *sibility Act of 1995, or the Contract With America Tax Re-*  
3 *lief Act of 1995 is offset by reductions in the limit on discre-*  
4 *tionary outlays as provided by section 2 over the 5 fiscal*  
5 *year period beginning with fiscal year 1996, such changes*  
6 *in direct spending and receipts shall not be reflected in esti-*  
7 *mates under section 252(d) of the Balanced Budget and*  
8 *Emergency Deficit Control Act of 1985. For purposes of this*  
9 *subsection, reductions in the limit on discretionary outlays*  
10 *for fiscal years 1999 and 2000 shall be measured as reduc-*  
11 *tions from the discretionary spending limit for outlays for*  
12 *fiscal year 1998 as in effect immediately before the enact-*  
13 *ment of this Act.*

14 (c) *In the OMB final sequestration report for fiscal*  
15 *year 1996—*

16 (1) *all adjustments required by section 251(b)(2)*  
17 *made after the preview report for fiscal year 1996*  
18 *shall be made to the discretionary spending limits set*  
19 *forth in 601(a)(2) of the Congressional Budget Act of*  
20 *1974 as amended by section 2; and*

21 (2) *all statutory changes in the discretionary*  
22 *spending limits made by the Personal Responsibility*  
23 *Act of 1995 or by the Act entitled “An Act making*  
24 *emergency supplemental appropriations for addi-*  
25 *tional disaster assistance and making rescissions for*

- 1       *the fiscal year ending September 30, 1995, and for*
- 2       *other purposes'' shall be made to those limits.*

